(b) For the portfolio investments of Foreign Institutional Investors (FIIs) no lock-in period is stipulated.

(c) and (d) The long term and Short term Capital Gains on portfolio investments of FIIs are taxed at the rate of 10 percent and 30 percent respectively and the dividend and interest income at the rate of 20 percent. The Indian Institutional Investors like Unit Trust of India and Mutual Funds registered with SEBI are exempted from payment of tax.

Rationalisation of customs duty structure

2692. SHRI B. K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether inverted duty structure is still prevent in the country, which encourages import of finished products than the raw material for the production of polystyrene;

(b) whether Government are aware of the diversion, on this account, of a mammoth investment of more than DM 150 million by BASE of Germany to China in preference to their earlier plan for polystyrene plant at Mangalore in Karnataka;

(c) whether it is a fact that BASE had acquired land and built up infrastructure for their plant at Mangalore, which is now being used for setting up of a smaller unit for manufacturer of dyestuffs and dispersions; and

(d) whether Government are considering rationalisation of customs duty structure, in tune with liberalisation policy to attract potential investments from abroad?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURIHY): (a) No, Sir. The present customs duty structure on Polystyrene and its major raw materials is as indicated below:—

(i)	Styrene	— 15% ad valorem
(ii)	Ethylbenzene	— 15% ad valorem
(iii)	Polysterene	— 55% ad valorem

(b) The question of diversion of investment on account of the duty structur does not arise in view of (a) above.

(c) The factual information is being collected and will be laid on the Table of the House in due course.

(d) A number of changes have been made in the Union Budget for the year 1994-95 which will, inter-alia, provide a strong stimulus for new investments.

Import of insecticides and pesticides

2693. SHRI BHUPENDER SINGH MANN: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to continue import of fertilizers insecticides, pesticides, etc. for a healthy competition in the local market for the benefit of the farmers; and

(b) what steps are proposed by Government to ensure that the subsidies reach the farmers in real sense and not the industrialists, who usually engulf huge amount of subsidies in the name of the farmers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. ABRAR AHMED): (a) Government proposes to continue import of controlled frtilizers to bridge the gap between the demand and indigenous availability. For insecticides and pesticides, import of only technical grade material is allowed and no change is envisaged in the policy.

(b) The controlled nitrogenous fertilizers are available to farmers at highly subsidised rates and therefore the benefit of subsidy reaches the farmers. As far as decontrolled phosphatic and potassic fertilizers are concerned, the Department of Agriculture & Cooperation is administering a scheme to provide concessions to the farmers. This scheme is being implemented through the respective State Govts./U.T. Admns. and necessary guidelines for implementation of the scheme have been issued. ?

Activities of the settlement commission

2694. MAULANA OBAIDULLAH KHAN AZMI: Will the Minister of FINANCE be pleased to state:

(a) whether his Ministry has any check/control on the activities of the Settlement Commission (Income Tax/Wealth Tax), particulary in view of the findings of the Tax Reforms Committee headed by Shri C. Raja Chellajah in its report submitted in 1992 that the Settlement Commission has in fact become an easy route for tax evaders and is being used by them as another amnesty scheme; and

(b) if so, the details of the manner in which the check/control is being made by his Ministry on the said Commission?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR / MURTHY): (a) and (b) The Commission is working under the over-all control of the Ministry of Finance. There is a system of quarterly monitoring and review of performance of the Commission with reference to disposal of cases, pendency etc.

उत्तर प्रदेश के ग्रामीण बैंकों को हुए घाटे

2695. **चौधरी हरमोहन सिंह :** क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि 1991–92 के बाद उत्तर प्रदेश के ग्रामीण बैंकों को हो रहे घाटों में लगातार वृद्धि हो रही है ;

(ख) यदि हां, तो उसके कारण क्या हैं ; और

(ग) घाटों को कम करने के लिए सरकार द्वारा क्या कदम उठाये गये हैं ?

वित्त मंत्रालय में राज्य मंत्री (डा० अबरार अहमद) : (क) और (ख) राष्ट्रीय कृषि और ग्रामीण विकास बैंक (नाबार्ड) ने सूचित किया हैं कि राज्य में कार्य कर रहे 40 क्षेत्रीय ग्रामीण बैंकों में से 1991–92 और 1992–93 के दौरान क्रमश: 32 क्षेत्रीय ग्रामीण बैंकों ने 48.51 करोड़ रुपए की और 31 क्षेत्रीय ग्रामीण बैंकों ने 48.15 करोड़ रुपए की हानियों की सूचना दी थी। इस प्रकार यह देखा जा सकता है कि 1992–93 के दौरान क्षेत्रीय ग्रामीण बैंकों को हुई हानियों में मामूली कमी आई है। क्षेत्रीय ग्रामीण बैंकों को हुई हानियों के कारणों में ग्राहकों की सीमित संख्या, परिचालन का सीमित क्षेत्र, निम्न ब्याज मार्जिन और बढ़ती हुई स्थापना लागत जैसे कई कारण इसमें शामिल हैं।

(ग) भारतीय रिजर्व बैंक और नाबार्ड सरकार के साथ परामर्श करके क्षेत्रीय ग्रामीण बैंकों की हानियों को रोकने और उनकी अर्थक्षमता में सुधार करने के लिए कई उपाय कर रहे हैं। हाल ही में किए गए उपायों में अन्यों के साथ-साथ गैर-लक्ष्य समूह वित्त पोषण को 40% से बढ़ाकर 60% करने, गैर-निधि कारबार बढ़ाने, उन क्षेत्रीय ग्रामीण